

559 GARNER ROAD EAST ANCASTER, ON

PREPARED FOR

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Southcote Rd

Garner Rd E

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559 GARNER RD E – PROPOSAL INFORMATION

In accordance with your request, we hereby submit our proposal to market the property located at 559 Garner Rd E, Ancaster. Details of our market analysis and proposal are set out in the following report. If further information is required, we would be pleased to furnish it upon request.

PROPERTY SUMMARY

Address: 559 Garner Rd E, Ancaster

Client/Registered Owner: Her Majesty The Queen, In Right The Province Of Ontario, Represented By The Minister Of Transportation And Communications

Purpose: To Propose Market Value and Marketing Strategy to the Client

Legal Description: PT LT 48, CON 3 ANCASTER, PART 1, 62R2555; PT LT 48, CON 3 ANCASTER, PT 2, CM2054; ANCASTER CITY OF HAMILTON

PIN Number: 175650425

Roll Number: 251814028032800

Inspection Date: June 21st, 2019

Property Description: Vacant Land

Official Plan/ Zoning: The Town of Ancaster (Now City of Hamilton) designates the subject property as Agricultural "A" Zone. The Agricultural "A" Zone permits (a) Agricultural uses, buildings and structures and uses accessory thereto including one detached dwelling, and uses, buildings and structures accessory to the dwelling. (b) Home occupations existing at the date of passing of this By-law. (c) Kennels existing at the date of passing of this By-law. (d) The making or establishment of wayside pits and buildings and structures accessory thereto

Existing Use: Vacant Agricultural Land

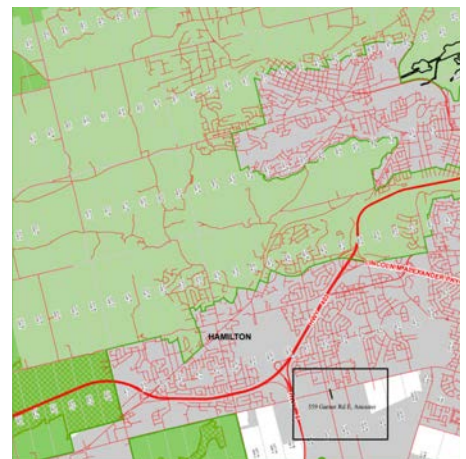
Highest and Best Use: Rezoning of the subject property to either Medium Density Residential or Commercial Use for potential owner operator

Greenbelt Designation: Settlement Area Outside of the Greenbelt

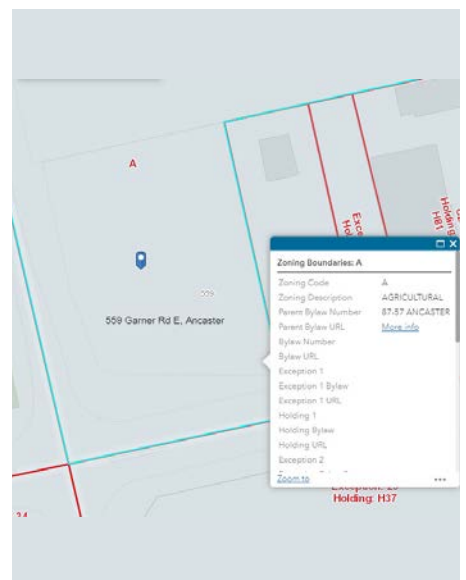
Conservation authority: None

Utility Services: All available

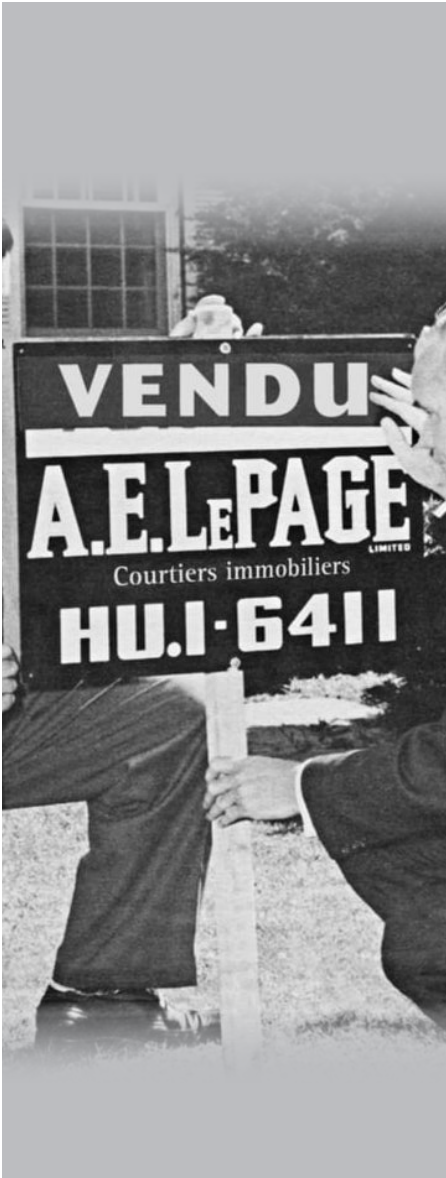
Road Widening: Possibly subject to road Widening



Source: www.mah.gov.on.ca/Page15360.aspx



Source: www.hamilton.ca/develop-property/planning-applications/development-applications-mapping



ROYAL LEPAGE COMMERCIAL

For over 100 years (1913 - 2013), Royal LePage has been, and continues to be, one of the most widely recognized and well respected real estate brokerage brands in Canada. In its 100th anniversary year, Royal LePage Commercial was re-launched by Royal LePage (a Brookfield company) in 2012. The inspiration for the re-launch dates back to when Royal LePage Commercial Inc. was separately incorporated from its residential division in 1984. It charted the landscape for the development and growth of the Canadian commercial real estate industry and quickly grew to become the premiere, full service brokerage across Canada. It gained an excellent reputation both nationally and internationally and became the brokerage of choice for many of Canada's real estate stakeholders, A-list tenants and investors.

Today, Royal LePage Commercial is a rapidly expanding commercial real estate brand within the Royal LePage framework of independently held brokerages, attracting talented professionals in all markets across the country. With more than 338 commercial realtors® in 96 locations across Canada, its strength is based on the number of commercial real estate professionals already established within our large urban centres, cities and towns; equipped with the local market knowledge and expertise to serve businesses and investors. These professionals are actively engaged in their communities and give back by supporting the Royal LePage Shelter Foundation, the only corporately branded charitable organization within the Canadian real estate industry. Since 1998, Royal LePage has raised over \$16 million assisting 200 women's shelters and violence prevention programs across Canada.

Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

Our Network & Services

Headquartered in Toronto, our network of commercial sales professionals spans across Canada in both large and small urban centres with an eye on growth. Service lines include:

Tenant Representation, Landlord Representation, Office, Industrial and Retail sales and leasing, Multi-Family, Investment Sales, Land and Development, Consulting & Feasibility services and Sale of Businesses.

Your Success

We've got you covered. Our National capability ensures that your commercial real estate needs are executed efficiently and with the best resources available. With our Canada-wide referral network of over 18,000 realtors®, we have boots on the ground in virtually every market. In response to ever changing market conditions, we have teams of experts who can provide services based on our client's requirements. By partnering with Royal LePage Commercial, you will be working with professionals who are committed to being a trusted resource and business partner.

Unwavering Service Vision

Innovation and service excellence have developed and propelled the Royal LePage brand since 1913. From dividing land for one of Toronto's first subdivisions, to coordinating the then largest land assembly for the construction of landmark office towers, Royal LePage helped pioneer the growth and development of commercial real estate in Canada. Our leadership heritage in commercial real estate gives meaningful vision to today's national network of dedicated commercial real estate professionals and their clients alike. Quality representation, a culture of collaboration and networking, and leading-edge marketing and promotion resources combine to help us fulfill and exceed your expectations.

Royal LePage Commercial, helping you is what we do.

ABOUT US

Kyprianou Violaris Group – A commercial real estate team at Royal LePage State Realty, Brokerage.

KONSTANTINOS VIOLARIS

Konstantinos Violaris - Keen on providing his clients with the information necessary to accurately deal with the complexities associated with commercial real estate. Konstantinos has dealt with a variety of transactions ranging from land, commercial leasing, business brokerage and mixed-use income properties. His dedication to commercial real estate is evident and he is constantly striving to stay current and knowledgeable on all things real estate.

Affiliations and Memberships

1. www.uli.org - (Urban Land Institute) - Member
2. www.ccim.com - Candidate Membership
3. Loopnet/CoStar – Subscriber
4. AltusGroup - Real Net - Subscriber
5. Royal LePage Commercial - Member
6. Regional Commercial Network - Hamilton-Burlington Realtors Association - Member
7. Canadian Commercial Network - Canadian Real Estate Association (CREA) - Member
8. Hamilton and District Apartment Association (HDAA) - Member



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GEORGE KYPRIANOU

George Kyprianou - Has been serving the Hamilton and surrounding area for over 47 years. Throughout his career, George has handled an array of commercial real estate transactions and has built a strong network of industry professionals. Clients include governmental agencies, small to large scale residential and commercial developers, private business owners and commercial landlords.

Affiliations and Memberships

1. Royal LePage Commercial
2. Canadian Commercial Network - Canadian Real Estate Association (CREA) - Member
3. Hamilton and District Apartment Association (HDAA) - Member



George Kyprianou
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NOTABLE TRANSACTIONS

Notable Transactions we have been involved with, which are similar and/or in close proximity to the subject property:



1912 Rymal Rd E

Acquisition of a .964 acre vacant parcel with an Agricultural Zoning which our client (Royal Living Development Group) purchased. Currently there is an application to amend the zoning to permit development of a 5 story, 92 unit apartment building.



705 Rymal Rd E, Hamilton

Acquisition of a 1.573 Acre vacant parcel of land with agricultural zoning. Client is in preliminary stages of rezoning the property to allow for a mid-rise development.



24 Ditton Dr, Hamilton

Acquisition of a 1.273 acre parcel of industrial lands. Client is now site plan approved for 10 industrial warehouse units to be built by summer of 2020.



1117 Garner Rd E, Ancaster

Acquisition of a 1.268 acre parcel of vacant agricultural zoned land. Client has applied for a development application for a 12 story condominium.



1242 Garner Rd W, Ancaster

Disposition of a retail plaza situated on 2.311 Acres of land.

OUR TEAM



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SALES REPRESENTATIVE**

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**JENNIFER WOODYATT
RESEARCH & MARKETING
OPERATIONS MANAGER**

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Jennifer Woodyatt is Research & Market Operations Manager for Royal LePage Commercial. Jennifer’s past experience at Royal LePage Commercial includes commercial real estate sales, specializing in the industrial sector, negotiated and completed over \$20,000,000 in sale and lease transactions over three years. Her clients included Coca-Cola Beverages Ltd., Minute Maid of Canada, Erie Manufacturing Co. (Canada) Ltd., Samson Produce Inc., and International Exterior Holdings Ltd.



**WILLIAM MARIANI
DIGITAL MARKETING**

With over 10 years of experience marketing commercial real estate properties for Colliers, CBRE, JLL, Transwestern, Coldwell Banker, and Remax commercial - William brings a wealth of knowledge on how to present a commercial property across all digital platforms.

**MELANIE RYAN-GRAIF
SOCIAL MEDIA MARKETING**

After a lifelong career in Management, Brand Marketing and Design, Melanie has spent the past 4 years working with Royal LePage Commercial helping their brokers with their branding, print and social media marketing.

**ALEXANDRA BOYD
GRAPHIC DESIGNER**

Alexandra has 5 years experience in the design and creation of marketing materials for the commercial real estate industry. She has been primary graphic designer for all 330 Royal LePage Commercial brokers - flyers, offering memorandums, pitch books, landing pages, websites and social media graphics.

COMPARABLE SALES

Address	Date	Sales Amount	Lot Size	\$/ac	Distance	PIN
1. 705 Rymal Rd E, Hamilton	May 08, 2018	\$525,000	1.57	333742	2743	169230022
2. 527 Shaver Rd, Hamilton	Aug 08, 2018	\$675,000	0.63	1078418	9470	174160005
3. 381 Garner Rd W, Ancaster	Aug 31, 2018	\$1,176,585	0.76	1551981	8513	174151003
4. 550 Rymal Rd E, Hamilton	Jan 31, 2019	\$1,500,000	2.05	732066	2072	169050088
5. 515 Garner Rd E, Hamilton	Aug 16, 2018	\$1,600,000	4.06	394287	5327	174140561
6. 694 Pritchard Rd, Hamilton	Oct 17, 2018	\$1,650,000	0.95	1742971	5948	169310053
7. 1565 Rymal Rd E, Hamilton	Oct 17, 2018	\$1,650,000	0.50	3284468	5912	169310091
8. 544 Rymal Rd E, Hamilton	Jan 31, 2019	\$2,100,000	1.96	1071814	2036	169050087

SALES STATISTICS

MAXIMUM: \$2,100,000 | MINIMUM: \$525,000 | AVERAGE: \$1,359,573 | MEDIAN: \$1,600,000

OPINION OF VALUE

*We note that we were involved with the transaction at **705 Rymal Rd E** and can verify that the acquisition cost was significantly reduced due to significant grading issues of the lands. Purchaser is in the middle of pre-consultation meetings with The City of Hamilton. So far, a medium-density residential development is likely to occur.

***527 Shaver Rd and 629 Garner Rd W** were purchased as an assembly with a combined acreage of .9970ac for a total consideration of \$1,175,000. Road widening was not completed at that time. Current zoning amendment to allow 23 3-story townhouses.

***544 & 550 Rymal Rd E** - Assembled to create a combined 4 acres. Currently zoned agricultural. The highest and best use is likely for a future residential medium-density development.

694 Pritchard Rd and 1565 Rymal Rd E - Purchased together as an assembly. Application to permit Gas Station. Zoned M3 Prestige Industrial.

381 Garner Rd W - .758 Ac of vacant residential land. Zoned Agricultural

METHOD OF VALUATION

We have undertaken the Direct Comparison Approach to Valuation. Comparable properties were gathered, analyzed, and adjusted to reflect value to the subject. Adjustments are made for differences such as market conditions, size, and location.

A comparison of the transaction activity has been made having regard to the following Market variables that are likely to have the greatest impact on market value:

- a) Property Rights, Motivation & Financing
- b) Market Conditions/Time of Sale
- c) Location
- d) Development Timing/Planning (approved, imminent approval, OPA and/or re-zoning required)
- e) Density/Size
- f) Site Characteristics (configuration, mid-block, corner, adjacent uses, exposure, demolition if required, etc.)

In our review of the data presented and the above noted factors, the value of the subject, land as indicated by the Direct Comparison Approach as at June 21st, 2019, is **\$1,100,000**.

MARKETING APPROACH AND STRATEGIES

Our Marketing strategy is intended to be targeted and engaging, while simultaneously mitigating risk. We have intimate knowledge of the active and qualified buyers seeking development opportunities in The Greater Toronto and Hamilton Area (GTHA). Our main approach is to develop an awareness of the availability of the property through the direct solicitation of a selected group of purchasers, which we have identified as capable and motivated and with a strong knowledge base of the surrounding area.

In addition to marketing the subject property to a select group of known parties with interests in the Hamilton and surrounding area, we plan to expose the property to the open market, through several reliable listing services which are known to have high traffic of potential purchasers looking to acquire vacant land.

Listing platforms we intend on using to promote the subject lands:

- MLS Listing through the Hamilton-Burlington Real Estate Board(RAHB)
- MLS Listing through the Toronto Real Estate Board
- RealNet by Altus Group
- Costar/Loopnet
- CCIM Forums
- Mail-out to commercial network through Youman
- Spacelist.ca

It is fundamental that the subject property has a reasonable amount of time on the open market to allow for our marketing strategy to adequately reach our intended audience. We propose a direction by the seller which prohibits the conveyance of any written signed offers for at least a 14 day period following the listing commencement date.

SCOPE OF MARKET ANALYSIS AND PROPOSAL TO MARKET SUBJECT LANDS

The scope of this Market Analysis and proposal to market the subject lands, encompasses the necessary research to prepare a report for the purpose of determining a market value of the subject lands as well as a marketing strategy which allows for a reasonable exposure time on the open market:

- The subject property was inspected and photographed on June 20th, 2019.
- Property data including site information was obtained by a personal inspection of the subject, review of the assessment data and examination of other resources available through the City of Hamilton.
- Development trends, economic and real estate market conditions in relation to the subject property existing as of the effective date were considered; reviewed and analyzed the sales history of the subject.
- The physical, functional, and economic characteristics of the subject property were considered.
- Municipal data was based on information obtained from various sources including government publications, municipal economic development departments and real estate publications.
- Did not complete a search of the title records but confirmed ownership using Geowarehouse Records.
- Appropriate documents including current zoning designation were reviewed and we did speak

with the zoning department at the City of Hamilton.

- Highest and Best Use of the subject property was considered and analyzed.
- Market research was conducted with regard to comparable sales.
- Sales data was obtained from the local real estate board, Geowarehouse, Realnet, discussions with other real estate agents and our files.
- After assembling and analyzing the data, a final estimate of value was determined.

PRE-MARKETING

A. Client Expectations

Discuss with the Seller the level of exposure:

- Due Diligence information (planning materials, survey, environmental reports, etc.)
- Buyer's expectations as to property information
- Execution of Marketing Strategy upon Awarded Listing (advance notice to select group of prospects and to the Royal LePage Commercial network)

B. Planning Analysis

Site Evaluation and Building Analysis including:

- Location and dimensions
- On-site physical constraints
- Surrounding land uses
- Existing servicing and capacity
- Official Plan and Zoning By-laws

C. Property Analysis and Assessment

In preparation for the market launch:

- Assess Opinion of Value at the time of listing
- Review recent sales and competitive product
- Evaluate the area and development trends
- Unpriced strategy to the market place

Proposal for Listing and Marketing the Sale of, Toronto

D. Preparation of an Offering Package

Confidential Information Memorandum (CIM), Flyer and Brochure:

- Executive Summary of the Opportunity
- Property Overview
- Development Activity - St Clair Avenue West Corridor
- Confidentiality Agreement
- Preparation of Investment Information Sheet
- Offering Process
- Submission Requirements
- All Vendor documents available upon receipt of a signed Confidentiality Agreement
- Vendor's standard Agreement of Purchase and Sale, prepared by their Solicitor
- Prepare timeline
- Other relevant information

MANAGING THE PROCESS

The goal is to have the potential Buyers' transaction approach align with the objectives of the Seller's:

- Lead by principal agents,
- Marketing campaign led by Jennifer Woodyatt, Research & Marketing Operations Manager
- Create competitive environment
- Direct dialogue with potential buyers and their agents
- Understanding needs, desires and intentions of all parties
- Pre-qualify interested parties with diplomacy
- Vet buyers that are capable and have a proven history of closing transactions
- Have buyer and the marketplace understand the objectives of the seller
- All relevant information to be made available prior to "Offer Presentation"
- Encourage offer proposals with integrity
- Report activity to the Seller in a mutually agreed manner
- Prepare a development summary report for all short-listed buyers and their agent(s)

MARKETING THE SALE

The Plan

- Targeted Professional E-mail Campaign - Over 2500 Developers/Investors and 336 Royal LePage commercial real estate sales professionals in 95 offices across Canada, as well as 2,800 commercial realtors from the Toronto Real Estate Board's Commercial Database and proprietary developer contact database (2,500) via Youman Media Group, our 3rd party marketing service provider specializing in commercial real estate
- Post Listing on Industry Websites:
 - RealNet (40,000± investor subscribers) and CoStar.com
 - royallepagecommercial.com & royallepage.ca (>3,674,000 unique visitors in Q1 2018)
 - Total Exposure to Marketplace by repetitive email distribution
 - Post on LoopNet website
- LinkedIn communication via exclusive Royal LePage Commercial page
- Royal LePage Commercial Specialty Practice Groups by asset class are led by seasoned and experienced sale professionals who have proven track records in their fields. Our Specialty Practice Groups share market information, best practices, tried and tested transactional documentation as well as resources within the industry.

PROCESS AND MARKETING

Sellers engage Royal LePage Commercial to sell the subject property via Listing Agreement

- Create a competitive environment through multi-channel distribution of Offering
- In the event of multiple offers, consultation with Sellers on next steps and best practices, including but not limited to re-submission from interested purchase groups.
- From our target groups Royal LePage Commercial to commence creation of marketing materials and contact data for all potential Buyers
- Royal LePage Commercial to engage 3rd party email service provider, Youman Media for distribution of email marketing campaign and brochure to listing realtors' private contact databases
- Post Announcement on RealNet & CoStar Data Platforms of Property Offering
- Announcement to Core Development Industry by private direct contact with principals
- Full distribution of marketing brochure to expose our marketing package to the entire market with a primary focus on those targets we deem most credible and capable
- Property tours will be arranged at appropriate times to minimize the disruption to tenants and the Royal LePage team will be in attendance for all showings
- Ongoing marketing - direct contact and meetings with Key Target Purchase Groups

OFFER REVIEW PROCESS

Review of offers - submitted offers will be reviewed and analyzed

- Recommendations will be put forward to the sellers
- If appropriate, the Short List of bidders will be allowed to better and re-submit their offers
- Counter Offer to selected bidder group and negotiations
- Create competitive environment
- Execution of Agreement of Purchase and Sale
- Due Diligence Review of Documentation by Purchase Group, environmental assessment and other materials
- Selected Purchase Group, waives condition, confirming Purchase & Sale is firm
- Proceed to closing date as negotiated by the parties

PROPOSED COMMISSION/EXPECTED FEE PAYMENT

In consideration of listing the subject property, we propose a fee structure of 4.5% of the sale price of the property. We will fully co-operate with any outside registered real estate brokerage and offer to pay the co-operating brokerage a commission of 2.5% of the sale price of the property.

MARKETING TOOLS AND RESOURCES

Altus Group - The Trusted Source for Commercial Property Information

RealNet empowers over 40,000± commercial real estate professionals with a stake in the Canadian commercial real estate market with the information to make informed decisions. Trusted by the major banks, Federal, Provincial and Municipal levels of governments, institutional investors and the brokerage community, your property will be posted on the RealNet website, advertising the sale to highly qualified groups of potential buyers.

LoopNet

A web-based service available to Owners/Investors, REITs, Acquisition Executives, Tenants, Landlords, Developers, Asset Managers, Site Selection Managers, Disposition Managers, Brokerages and Corporate Real Estate Executives. LoopNet is rated number one in commercial real estate online industry data platforms, and includes 320,000 members throughout the U.S. and Canada.

Professional Electronic Marketing via Youman Media Group

Property details of the opportunity can be distributed to over 2,800 members of the Greater Toronto Area brokerage community as well as our proprietary list of 2,500+ investors and developers, by using our state-of-the-art email campaign marketing tool via Youman Media Group. Youman Media is a trusted partner providing 3rd party commercial real estate email marketing services. This system tracks delivery stats, open rates, and allows interested parties to request information at the click of a button. All emails distributed through the system comply with the CRTC's Canadian Anti-Spam Legislation (CASL) that allows each recipient to consent to receive the email or to unsubscribe at any time.

Using the reports generated by the system, we can then follow-up directly with each of the parties who received the email and devise follow-up strategies for unopened emails.

Social Media:

The commercial real estate industry is employing Generation Xers and Millennials who are now moving into key decision-making roles. Social media savvy, they rely on LinkedIn in particular as a resource for information about jobs, colleagues, partnerships and business opportunities. The importance of social media is an integral part of a marketing campaign. From exposing a property opportunity to millions of people to targeting its exposure via industry specific groups, across the country, Facebook, LinkedIn, Twitter and Instagram are all included as part of our marketing approach to ensure the greatest exposure to the market.

National Websites:

Royal LePage is proud to have two of the most visited real estate sites in Canada, with royallepagecommercial.com receiving over 6,000 monthly visitors and royallepage.ca receiving over 2,500,000 monthly visitors. Your property will be prominently displayed on these highly trafficked sites for maximum exposure: www.royallepagecommercial.com & www.royallepage.ca

This proposal/analysis was prepared by Konstantinos Violaris and George Kyprianou of Royal LePage State Realty, Brokerage at the request of The Ministry of Transportation for the purpose of estimating market value and proposing a marketing strategy. The market value in it reflects Konstantinos Violaris' and George Kyprianous best judgment in light of the information available to them at the time of preparation. It is not reasonable for any other person or corporation other than The Ministry of Transportation to rely upon this analysis.